

“Eight Fields In Two”

Community, Productivity, Conservation and Leverage

The Friends of the Lower Fields

March 1, 2012



The Opportunity

**FOLF + ABRSD work together
to build \$3M Multi-purpose
recreational complex for the
benefit of Schools and the
communities at large
Short-term low cost
Long-term income potential**



A New Multi-Purpose Recreational Complex at the Lower Fields

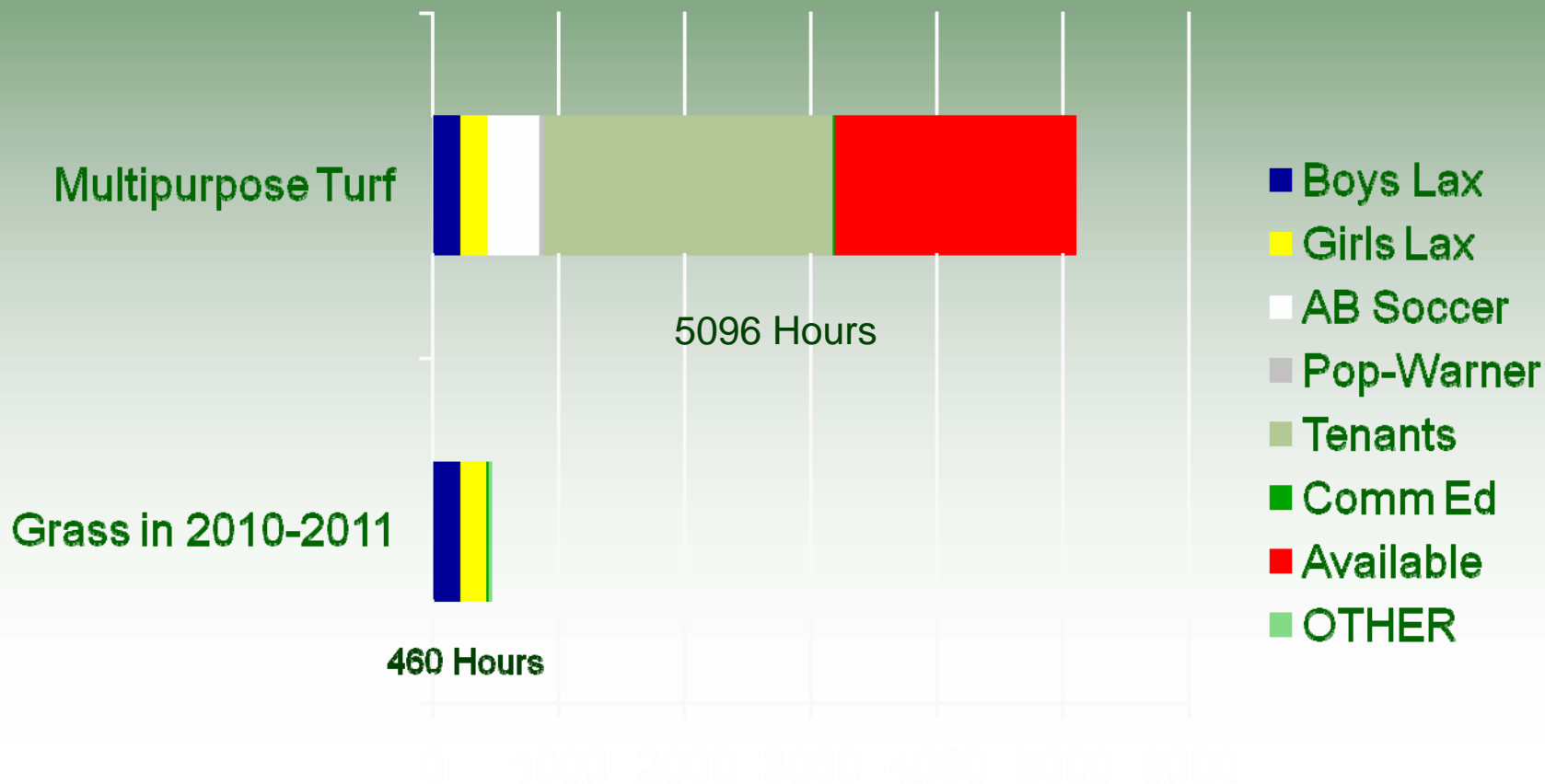


Value Proposition

- **Volunteer Driven:** Leveraging in-town volunteer expertise and relationships enables project start-up
- **Expanded Recreation Hours:** Adds 4,000+ new hours of community recreational space
- **Low Impact Finance Plan:** Capital cost ~ \$3.0 mm with high level self funding mechanism
- **Broad Community Use:** Benefits multiple constituencies
- **Increased Safety:** Dramatic increase in ability to play and practice safely on high quality fields
- **Smart growth:** Improved use of existing land results in the preservation of open space in both towns.



The Opportunity- Expanded Hours



Who will benefit?

- ***AB Physical Education***
- ***AB Interscholastic Sports – 17 teams***
 - *Soccer*
 - *Lacrosse*
 - *Field Hockey*
 - *Football*
- ***FOLF***
 - *AB Youth Soccer*
 - *Pop Warner Football*
 - *AB Girls Lacrosse*
 - *AB Boys Lacrosse*
- ***AB Community Education***
- ***Any group that wants to rent space!***



What is the capital project cost?

- ***Project = \$3.0 Million (unchanged since 8/11)***
 - *Site Prep - \$115,000*
 - *Turf Fields – \$1,500,000*
 - *Lighting and Utilities- \$525,000*
 - *Bathrooms/Concessions - \$132,500*
 - *Parking and Walkways \$418,200*
 - *Grass Field Irrigation and reseeding \$ 96,000*
 - *Curbing and Fencing \$159,000*
 - *Goals and safety nettings \$34,000*
 - ***Total ~3M***



How will the project be capitalized?

- ***Money raised by FOLF - \$225 target with 213K to date***
 - *Girls Lax, Boys Lax, Pop Warner, ABYS, AB Soccer Boosters, Colonial Club*
- ***ABYS Bank Loan - \$1M (7 year loan)***
 - *ABYS is the obligor*
- ***ABRSD startup funds - \$275K***
- ***ABRSD Bond - \$1.5 M (15 year bond)***



What Revenue Sources have been identified?

After allowance for use by schools, AB youth sports, the fields are potentially available for rental for about 3000 hours/year generating >\$350K/year

- ***Lease agreements in negotiation***

- *Anchor Tenants (MPS, Stars) - \$150K/yr*
- *New England Premiership \$32K/yr*
- *Cape Ann Coalition Field Hockey \$10K/yr*

- ***AB youth programs user fees***

- *~ \$15 per registrant per season = ~\$54K/yr*



What is the increased cost to Maintain the Turf Field Complex?

- ***New Turf Fields total \$52K***
 - *Turf itself - \$12K annual maintenance*
 - *Lights – \$17K*
 - *Bathrooms and general facility maintenance - \$23K/yr*
- ***Minus Cost of Existing Grass Fields***
 - *Grass Maintenance (cutting, fertilizer, lining)- \$10K*
 - *General facility maintenance - \$5K*
 - *Avoided costs (buses, field rental) - \$4K*

Net Cost is \$33K/yr



Cash flow: Lending Expenses

Annual Loan and Bond Costs –

- *\$175K/year for 7 years (FOLF Bank loan)*
- *\$124K average/year for 15 years (AB Bond)*



What does this mean to ABRSD

*1.5M bond at 3% for 15 years = \$124,000 avg./yr
\$124,000 average represents 0.3% of the ABRSD
Annual Operating budget*

Operating Set off:

- *AB Community Education subsidy - \$25,000 per year*
- *Once FOLF reserve fund is fully funded at \$100,000 FOLF will contribute up to \$25,000 per year toward the bond operating costs during the term of the FOLF loan.*
- *\$99,000 represents 0.25% of the ABRSD Annual Operating budget*
- *\$74,000 represents 0.19% of the ABRSD Annual Operating budget*



What is the projected net cash flow to ABRSD carrying costs?

*Annual Costs – Total \$299K/yr during loan term,
Total \$124K avg./yr after loan*

Annual Revenues- \$250-350K/yr

Net Cash flow

Years 1-7 (during loan term): **(\$74K-99K/yr)**

Years 8-15 (after loan term): **\$90K-140K/yr**

Years 15+ (after bond term): **\$210K-**

\$260K/yr



Why this project makes sense:

1. Physical education/interscholastic athletics are an important element of our AB educational programs.
2. One-time opportunity to leverage volunteer effort & capital.
3. Even during the term of the loan, when both loan and bond payments are required, the anticipated average net expense is projected to be less than \$100K/year.
4. Revenues from community education sports related activities will be used to offset a portion of the expense further reducing the operating expense.
5. Once the FOLF loan is paid, the Lower Fields will be a revenue generator for the schools, supporting physical and general education.
6. The project is consistent with community growth objectives (good location, appropriate site use, leverages parking infrastructure, improves campus generally).



The Development Plan

- 2011
- Apr ■ **Engineering survey**
■ Funded by ABRSD and Youth Sports Programs
- Sept ■ **School Committee approval of concept**
- Jan ■ **Bank Loan term sheet**
- Mar ■ **School Committee Bond approval**
- 2012
- Apr ■ **Acton Town Meeting approval**
- May ■ **Boxborough Town Meeting Approval**
■ **Vendor selected**
- Jun ■ **Installation begins**
- Aug ■ **Field available**
- Oct ■ **Project completed**



The Development Plan – Key Milestones

- ✓ **Feb** **Bank Loan term sheet**
- ✓ **Feb** **Final Capital Plan Costs**
- ✓ **Feb** **Capital Plan Funding Sources**
- **March** **School Committee Bond Approval**
- **March** **Anchor Tenant Lease Agreements**
- **March** **FOLF/ABRSD/Community Education Agree**
- **April** **Acton Town Meeting Approval**
- **May** **Boxborough Town Meeting Approval**
- **June** **Initiate Construction**



Lower Fields

Many Advantages

- **This proposal is a Smart Growth Solution and takes advantage of an existing location:**
 - Centrally located on the ABRSD campus
 - Pedestrian Oriented
 - Handicap Accessible
 - Parking
 - Rest rooms
 - Lights
 - Concessions



No more of this: Game on!



Lower Fields 2011

Community, Productivity, Leverage

- Thank You: Any Questions?

